

4/20/10

PAULA T. DOW
ATTORNEY GENERAL OF NEW JERSEY
Division of Law 5th Floor
124 Halsey Street
P.O. Box 45029
Newark, New Jersey 07101
Attorney for the New Jersey Fire
Alarm, Burglar Alarm & Locksmith
Advisory Committee

FILED
FIRE ALARM, BURGLAR ALARM AND
LOCKSMITH ADVISORY COMMITTEE
Laurence P. Wang
DEPUTY DIRECTOR

STATE OF NEW JERSEY
DEPARTMENT OF LAW & PUBLIC SAFETY
DIVISION OF CONSUMER AFFAIRS
FIRE ALARM, BURGLAR ALARM &
LOCKSMITH ADVISORY COMMITTEE

IN THE MATTER OF THE APPLICATION	:	
FOR A LOCKSMITH BUSINESS LICENSE OF	:	
	:	
ERIC COHEN (owner)	:	Administrative Action
PRESTIGE BUSINESS SOLUTIONS	:	
(t/a USA LOCKSMITH)	:	CONSENT ORDER
	:	
TO OPERATE A LOCKSMITH BUSINESS	:	
IN THE STATE OF NEW JERSEY	:	

This matter was opened to the New Jersey State Fire Alarm, Burglar Alarm & Locksmith Advisory Committee ("Committee") upon receipt of an application, and other information, for a locksmith business license from Eric Cohen (respondent), owner of Prestige Business Solutions (t/a "USA Locksmith"). The Committee has reviewed the application and the available information.

According to the application and the information received, respondent is the sole owner of Prestige Business Solutions (t/a "USA Locksmith"). Respondent submitted an application for a locksmith business license, dated August 18, 2008. Prestige Business Solutions registered to do business in the State of New Jersey on August 25, 2003.

USA Locksmith is currently located at 117 Central Avenue, Hackensack, New Jersey. USA Locksmith does not currently hold a

locksmith business license in New Jersey, pursuant to the requirements of N.J.S.A. 45:5A-25(b) and N.J.A.C. 13:31A-2.6. Additionally, USA Locksmith does not currently employ a licensed locksmith to act as the business qualifier, pursuant to the requirements of N.J.A.C. 13:31A-2.8.

The Committee received information that USA Locksmith was advertising the provision of locksmithing services in the State of New Jersey. An internet advertisement found at "USALocksmith.com", indicates that USA Locksmith provides twenty-four hour locksmith service in New Jersey. The advertisement also listed numerous New Jersey municipalities where USA Locksmith would provide locksmithing services.

The individual New Jersey municipal sites found at "USA Locksmith.com" indicated that individual locksmith businesses, with separate business addresses, existed in each particular municipality listed. For example, accessing the site for Allendale, New Jersey resulted in information revealing that an entity called "Allendale Locksmith" existed with a telephone number of 800-425-9858 and a fax number of 800-721-5192. The page for "Allendale Locksmith" also indicated:

Allendale Locksmith provides fast, reliable, professional 24 Hour emergency Locksmith services at extremely competitive rates. at **Allendale** Locksmith we stand behind our workmanship- 100% client satisfaction guaranteed. At **Allendale** Locksmith we have a fully equipped machine shop available 24 hours a day 7 days a week, we service most major lock brands and associated door hardware, including brands we do not sell

Similar information could be found by accessing each individual New Jersey municipal site found at "USALocksmith.com".

A separate search of "www.allendalelocksmith.com" reveals a web page with an 800 telephone number that was actually routed to USA Locksmith at the 117 Central Avenue, Hackensack, NJ location. The web

page also gives an address for "Allendale Locksmith" at W. Allendale Ave, Allendale, NJ.

The Committee received a consumer complaint from consumer J.F. concerning services performed by "Prestige Business Solutions, Inc. d/b/a USALocksmith.com also d/b/a Belmar Locksmith Svc." According to the complaint, J.F.'s initial contact with the company was via the local telephone number listed for Belmar Locksmith Service in the Yellow Pages. The phone number listed in the Yellow Pages actually connected the person with USA Locksmith. The address in the Yellow Pages for Belmar Locksmith was listed as 500 Main Street, Belmar, NJ. There is no locksmith business located at this address.

A search of the website for "www.belmarlocksmith.com" connects the user to the "USALocksmith.com" website. The phone number on the website for "www.belmarlocksmith.com" was rerouted to USA Locksmith.

J.F. contacted "Belmar Locksmith Service" to have locks re-keyed at his house. The technician quoted a fee of \$65.00 for each lock that needed to be re-keyed. To change the entire doorknob, the fee would be \$85.00. According to J.F., the technician replaced a doorknob and caused damage to one door; re-keyed four of the five doors with the same key, but on his own, decided not to re-key the fifth door with the same key; and used defective hardware to complete the job. Finally, J.F. asserts that the technician charged in excess of the original quote.

On November 18, 2008, respondent appeared before the Committee regarding his application for a locksmith business license. Respondent acknowledged that USA Locksmith did not currently employ a licensed locksmith to act as a business qualifier, nor did USA Locksmith employ any licensed locksmiths or other technicians. USA


Locksmith subcontracts some locksmith work to unlicensed persons and businesses. Respondent testified he was not aware of the licensing requirement in New Jersey.

Following the inquiry, respondent provided agreements entered into between USA Locksmith and unlicensed subcontractors and a list of other unlicensed subcontractors, a total of nine utilized by USA Locksmith.

Respondent acknowledged he was responsible for the information contained on the website "www.USALocksmith.com". Respondent registered each municipality as a separate domain name that links to USA Locksmith. Therefore, a person calling "Allendale Locksmith" would actually be calling USA Locksmith at the Hackensack New Jersey location.

Respondent acknowledged the web page accessed from "www.allendalelocksmith.com" indicates a physical location of W. Allendale Ave., Allendale, N.J, but there is no locksmith at that location. Respondent admitted he registered numerous municipalities with domain names that actually link back to the phone number for USA Locksmith, including "www.belmarlocksmith.com."

A February 16, 2009 consumer complaint from M.M. concerns services performed by respondent. M.M. locked herself out of her home in Morristown, NJ. She called "USALocksmith.com" as advertised in the Morris County phone directory, however the technician was based in Teaneck, N.J. M.M. was under the impression that she was dealing with a local business. The technician was unsuccessful in picking the lock, had to break in, and M.M. chose a lower priced lock of two offered. The entire job took forty minutes from arrival to departure. M.M. was presented with an invoice for \$502.00.



A December 21, 2009 consumer complaint from C.C. concerns services performed by USA Locksmith. C.C. accidentally locked his bedroom with the key inside. He called the number for "Scotch Plains Locksmith" listed in the Yellowbook. The address listed was in Scotch Plains. The technician who responded told C.C. that he couldn't pick the lock and needed to drill it. C.C. paid \$80.00 cash for the service. Shortly after the technician left, C.C. noticed that his neck chain, worth \$1,000.00, was missing. The address in the Yellowbook advertisement was a residence and there was no locksmith business located there.

A complaint from consumer J.S. indicates the technician dispatched to her home by USA Locksmith disassembled her lock when there was nothing wrong with it. The technician left the lock disassembled. J.S. contacted USA Locksmith demanding the return of the \$267.00 she paid for the service.

On April 20, 2009, the Committee filed a Provisional Order provisionally denying respondent's request for a business license. The Committee preliminarily found that respondent violated the statutes and regulations governing the practice of locksmithing in a variety of ways. In addition, the Provisional Order of Denial provisionally required respondent to cease and desist from engaging in the unlicensed practice of locksmithing, both individually and through his company Prestige Business Solutions (t/a "USA Locksmith"). On December 8, 2009, respondent entered into an agreement to cease and desist practice until such time as he may become legally licensed.

In response to the Provisional Order of Denial, respondent, through his attorney Aaron J. Solomon, Esq., provided a letter to the Committee. Respondent argued that the Committee had no legal or factual

basis to conclude that Prestige charged consumers more than the amount originally estimated or that it engaged in gross negligence. Respondent also argued that they have taken steps to correct previous "ministerial defects" and were in the process of revamping their website and utilizing licensed sub-contractors to provide locksmithing services.

Following service of the Provisional Order of Denial and receipt of respondent's response, the parties have agreed that in lieu of the filing of a Final Order of Denial, the Provisional Order of Denial would be resolved via the entry of this Consent Order.

It appearing that respondent desires to resolve this matter without recourse to additional formal proceedings, the Committee has determined that respondent's request for a locksmith business license will be granted subject to the conditions outlined in this order. Any deviation from the terms of this order will result in immediate suspension of respondent's license. The Committee finds that such a provision, coupled with the restrictions placed on respondent's practice by this order, are adequate to protect the health, safety and welfare of the public, and for other good cause shown;

IT IS THEREFORE ON THIS 20 DAY OF April, 2010

HEREBY ORDERED AND AGREED THAT:

Respondent's application for a locksmith business license in the State of New Jersey is hereby granted subject to the following conditions and limitations:

1. Respondent shall cease and desist from subcontracting locksmith work to unlicensed persons and businesses. All locksmith work that respondent subcontracts shall be subcontracted to ~~New~~ Jersey

licensed locksmith businesses only. Other locksmithing work that respondent agrees to perform shall be undertaken by respondent's employees who are registered with the Committee pursuant to the requirements of N.J.S.A. 45:5A-23 et seq. and N.J.A.C. 13:31A-1.1 et seq.

2. Respondent shall obey all statutes and regulations governing the practice of locksmithing in the state of New Jersey.

3. Respondent shall advertise locksmithing services solely under the trade name registered with the Committee.

4. Respondent shall provide all proposed advertising to the Committee at least thirty (30) days in advance of the scheduled placement of the ad to ensure it conforms to the Committee's regulatory requirements and with this order. Respondent shall not place the proposed advertisement until he receives written approval from the Committee.

5. Respondent shall provide the Committee with the names and addresses of all current and future employees, independent contractors and partners of the locksmith business. Respondent shall provide the Committee with the names, addresses and business license numbers for all current and future locksmith subcontractors that respondent's locksmith business utilizes.

6. Respondent shall reimburse consumer J.F. in the amount of three hundred seventy-five dollars (\$375.00). Payment of the restitution to J.F. shall be made simultaneously with the signing of this Consent Order, by certified check or money order made payable to J.F., and shall be sent to, Executive Director, New Jersey Fire Alarm, Burglar Alarm and Locksmith Advisory Committee, 124 Halsey Street, Sixth Floor, Newark,

New Jersey 07101.

7. Respondent shall reimburse consumer M.M. in the amount of five hundred and two dollars (\$502.00). Payment of the restitution to M.M. shall be made simultaneously with the signing of this Consent Order, by certified check or money order made payable to M.M., and shall be sent to the address specified in paragraph #5.

8. Respondent shall reimburse consumer C.C. in the amount of eighty dollars(\$80.00). Payment of the restitution to C.C. shall be made simultaneously with the signing of this Consent Order, by certified check or money order made payable to C.C., and shall be sent to the address specified in paragraph #5.

9. Respondent shall reimburse consumer J.S. in the amount of two hundred sixty seven (\$267.00). Payment of the restitution to J.S. shall be made simultaneously with the signing of this Consent Order, by certified check or money order made payable to J.S., and shall be sent to the address specified in paragraph #5.

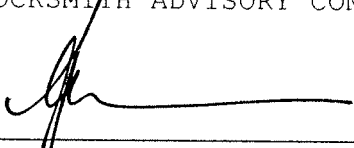
10. Respondent shall pay a civil penalty, pursuant to N.J.S.A. 45:1-22, in the total amount of fifteen thousand dollars (\$15,000.00) for violations of N.J.S.A. 45:1-21(b), (c), (n) and (o). Payment of the \$15,000.00 penalty shall be made in monthly installments of \$3,000.00 per month. The first payment of \$3,000.00 shall be made simultaneously with the signing of this Consent Order, by certified check or money order made payable to the State of New Jersey and shall be sent to the address specified in paragraph #5. Subsequent payments shall be provided to the Board on or before the first day of each month.

11. Respondent hereby consents to the entry of an order of automatic suspension of license, without notice, upon the Committee's

receipt of any reliable information which the Committee in its sole discretion deems reliable demonstrating that respondent has failed to comply with any of the conditions set forth in this consent order. Respondent shall have the right to apply for removal of the automatic suspension upon five (5) days notice but in such event shall be limited to a showing that he did not fail to comply with the conditions set forth in the consent order.

NEW JERSEY FIRE ALARM, BURGLAR ALARM
AND LOCKSMITH ADVISORY COMMITTEE

By: _____


Charles Okun
Committee Vice-Chairman

I have read and understand the
within Consent Order and agree

to be bound by its terms. Consent
is hereby given to the Board to
enter this Order.

Eric Cohen



Date 4/12/2010

I consent to the entry of this order
as to form

Aaron J. Solomon Esq.
Attorney for Eric Cohen

**SWORN TO AND SUBSCRIBED
BEFORE ME THIS DATE**


APR 12 2010

Date 4.12.10
**NICHOLET S. GANT
Notary Public of New Jersey
Commission Expires 3/26/2013**

